

Prepare journal entries for each of the following transactions assuming (a) that the company uses a perpetual system and (b) that the company uses a periodic system.

- March 2 Purchased 150 A100 widgets at \$20 each with terms 2/10, net 45. The widgets were shipped FOB Destination. Shipping costs amounted to \$30.
- March 7 Purchased 40 A200 widgets at \$60 each. These were shipped FOB Shipping, terms 1/10, net 40. Shipping costs amounted to \$80.
- March 8 Returned 10, A100 widgets to the supplier due to defects. A credit note was received.
- March 11 Paid the outstanding balance for the A100 widgets.
- March 12 Five A200 widgets were found to have minor defects. The supplier agreed to a credit of \$10 per unit. The widgets remain in inventory.
- March 25 Paid the outstanding balance for the A200 widgets.
- March 26 Sold 50 units of A100 widgets at \$30 each, with terms 1/15, n/30. The widgets were shipped FOB Destination. Shipping costs amounted to \$50.
- March 27 Received and refunded 10 units of A100 widgets returned by the customer for March 26 transaction.
- March 30 Received the customer's payment for March 26 transaction.